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Letter dated 4 December 2003 from the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism addressed to the President of the Security Council

I write with reference to my letter of 6 June 2003 (S/2003/627).

The Counter-Terrorism Committee has received the attached third report from Jordan submitted pursuant to paragraph 6 of resolution 1373 (2001) (see annex).

I would be grateful if you could arrange for the present letter and its annex to be circulated as a document of the Security Council.

(*Signed*) Inocencio F. **Arias**
Chairman
Security Council Committee established pursuant to
resolution 1373 (2001) concerning counter-terrorism

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Annex

Letter dated 3 December 2003 from the Permanent Representative of Jordan to the United Nations addressed to the Chairman of the Counter-Terrorism Committee

With regard to your letter dated 30 May 2003, I have the honour to forward to you Jordan's second supplementary report pursuant to paragraph 6 of Security Council resolution 1373 (2001) (see enclosure). I hope that the said report will answer the Committee's comments/questions.

(*Signed*) Zeid Ra'ad Zeid **Al-Hussein**
Ambassador
Permanent Representative

Enclosure

[Original: Arabic]

Second supplementary report of the Hashemite Kingdom of Jordan submitted to the Counter-Terrorism Committee pursuant to paragraph 6 of Security Council resolution 1373 (2001)*

Jordan's second supplementary report to the Security Council Committee established pursuant to resolution 1373 (2001) (Counter-Terrorism Committee) is of special importance, coming as it does in the wake of the terrorist attack carried out against the headquarters of the Jordanian embassy in Baghdad on 14 August 2003, which took with it dozens of innocent victims. That event, however, and the terrorist attacks committed against Jordan and its nationals during the past few years will only increase Jordan's determination to combat the plague of terrorism. The present report contains a further dimension, namely Jordan's ratification of the International Convention for the Suppression of the Financing of Terrorism. Jordan will continue its national counter-terrorist efforts at the various levels in accordance with Security Council resolution 1373 (2001).

The following report was prepared in response to questions contained in the Committee's note S/AC.40/2003/MS/OC of 30 May 2003.

1.2. Progress report on the draft act to combat money-laundering and, in particular, its provisions concerning funds emanating from terrorist activities or funds that may be used to finance terrorism

The Government of Jordan accords high priority to this draft. The Bureau of Legislation of the Office of the Prime Minister, which is charged with the study of laws, has completed the study of this draft, now in the final stages preparatory to its submission to Parliament for discussion and adoption.

Regarding legal provisions, article 2 of the draft defines illegal funds as follows: "Illegal funds: any funds arising directly or indirectly from any criminal act within the meaning of article 3 of the present Act".

Article 3 of the draft contains the following provisions:

For the purposes of the present Act, funds shall be deemed illegal if they emanate from any of the following offences:

(a) Traffic in narcotic drugs;

(b) Illicit traffic in arms and ammunition;

(c) Terrorism in violation of the Penal Code;

(d) Kidnapping of persons or holding of them hostage for the purpose of extortion, in violation of the law;

(e) Offences committed in contravention of the provisions of the Economic Offences Code;

(f) Any other offences considered under the laws concerning them as involving money-laundering;

* Any attachments are on file with the Secretariat and are available for consultation.

(g) Any criminal act involving money-laundering that is criminally sanctioned under the legislation in force in the Kingdom.

Article 4 of the draft provides as follows:

Any and all of the following acts shall be considered as money-laundering:

(a) Concealing the true source or whereabouts of illegal funds or camouflaging such funds by altering or converting them;

(b) Concealing the ownership of illegal funds or providing misleading information regarding such ownership;

(c) Owning or possessing illegal funds or using or investing such funds in order to purchase movable or immovable property or to carry out financial transactions, in the awareness that they are illegal funds.

Regarding the powers of the Attorney-General, article 9 (b) provides as follows:

(b) The Attorney-General may exercise the following powers in the performance of his duties:

1. Observation of funds suspected of being illegal and keeping track of such funds by all necessary means for that purpose;

2. Preventive attachment of illegal funds and issuance of any and all orders to prevent the disposal thereof;

3. Stopping of the completion or performance of any contract, transaction or work that may involve or be connected with illegal funds;

4. Preservation, in accordance with the requirements of the investigating authority, of any documents connected with illegal funds.

The penalties imposable pursuant to the draft act are provided for in article 10, as follows:

(a) Without prejudice to any severer penalty stipulated in any other legislation, the offence of money-laundering shall be punishable by imprisonment for not less than one year and not more than three years, a fine of up to 1 million dinars or both and the funds in question shall be confiscated. The penalty shall be doubled in case of a repeated offence;

(b) Complicity or intervention in or abetting of crimes of money-laundering shall be subject to the same penalty as the principal offence;

(c) In cases other than those provided for in paragraph (a) of this article, any violation of the provisions of this act shall be punishable by at least six months' imprisonment or a penalty of not less than ten thousand dinars.

1.3. The provision or collection of funds in any manner with the intention that they should be used to carry out terrorist acts

The provisions of the penal laws themselves cover the related questions raised by the Committee, inasmuch as the competent courts do not face any difficulties in this regard. Nonetheless, the Government's ratification of the International Convention for the Suppression of the Financing of Terrorism through the promulgation of Provisional Law No. 83 of 2003 (Law ratifying the International

Convention for the Suppression of the Financing of Terrorism) fully satisfy the Committee's questions. Indeed, under the ratification law, the Convention and all its provisions became part of Jordan's national law; consequently, the courts are bound to apply its provisions on an equal basis with other existing legislation.

1.4. Legal provisions in force which regulate the operation of alternative money transfer agencies or services

There are no legal provisions on alternative money transfer services and no such agencies are licensed by the Central Bank. However, such activities will come under the legal regulations for combating money-laundering once the act becomes law.

1.5. Legal provisions relating to lawyers, accountants and notaries who engage in brokering activities

It must be pointed out to the Committee that professions such as accounting and the practice of law are regulated in Jordan by special laws, such as the Bar Association Act and the Organization of the Accounting Profession Act, under which lawyers and accountants are prohibited from engaging in brokering activities or entering into commercial transactions on pain of punishment, withdrawal of their professional licence, the imposition of fines and imprisonment for various terms. The brokerage sector, on the other hand, is governed by a law specific to it, namely the Commercial Agents and Intermediaries Act (Act No. 28 of 2001).

1.6. The competent body within the Central Bank to which suspicious transactions are to be reported

The Bank Supervision Department within the Central Bank is the body to which banks are required to report suspicious transactions. In addition, as soon as the money-laundering act is promulgated, another, unrelated, unit is to be established to deal with suspicious financial transactions involving money-laundering.

1.7. The directive of the Governor of the Central Bank of Jordan concerning the freezing of funds suspected of being linked to terrorism is based, as mentioned previously, on powers laid down in the Banking Code. Consequently, the Central Bank has the power to stop, for a period of 30 days, the execution of any banking operation or the receipt or payment of any sum of money that is or may be connected with terrorist acts. It may also notify the judicial authorities to undertake an investigation with a view to the freezing of the funds, in which case, as previously mentioned, the Attorney-General has the power to effect the attachment under the Penal Code (article 147).

1.8. In answer to the Committee's question whether the Government of Jordan can freeze the assets of persons if there is reasonable cause to suspect that they are connected with terrorism or terrorist groups, the Government can do so only if such suspicions are backed up by strong material and circumstantial evidence on the strength of which the Attorney-General can use the powers granted him in article 147 of the Penal Code.

1.9. Unlawful recruitment and representation that such recruitment is for lawful purposes

Article 141 of the Penal Code comes under a special heading, i.e., offences committed against the security of the State. In view of the gravity of such offences, the Code provides that the penalty for plotting or abetting such crimes is the same as for the principal offence.

Unquestionably, deceiving persons and misrepresenting the purposes of an act as lawful with a view to committing an unlawful act is one of the forms of abetting and plotting, and the law, particularly in the case of such offences, sanctions the motive and the intention, even if not translated into concrete acts. Indeed, article 139 of the Penal Code provides as follows:

> Plotting to commit any offence referred to in the articles of this chapter shall be punishable by the same penalty as that imposed thereunder for the actual perpetration of the offence.

1.10. The possession and carrying of, and dealing in, firearms are regulated by the Firearms Act, as follows:

> No person shall manufacture firearms or ammunition within the Kingdom except by permit from the Council of Ministers.
>
> No person shall import, export or deal in arms or ammunition within the Kingdom unless licensed to do so by the Minister of the Interior or a person delegated thereby.
>
> It is not permissible to export weapons from the Kingdom.
>
> It is absolutely forbidden to carry, sell, buy or possess guns of any type.

Article 5 of the 1975 regulation on trading in arms specifies the conditions for the granting of a licence for dealing in arms.

The Firearms Act provides deterrent penalties for anyone who violates its provisions. Article 11 of the Act contains the following provisions:

> Anyone who, without authorization, manufactures, imports, possesses, transports, sells or purchases or serves as an intermediary for the purchase or sale of any gun or automatic weapon for the purpose of using it in an unlawful manner shall receive the death penalty.
>
> Anyone who, without authorization, manufactures, imports, exports or attempts to export firearms or ammunition shall be subject to a penalty of hard labour for a term not less than 15 years, and the weapons shall be confiscated.
>
> Anyone who violates any other provision of this Act or any regulation issued in pursuance hereof shall be subject to a penalty of imprisonment for a term of up to three years, and the weapons shall be confiscated.

The Act defines explosives as including all types of explosive substances. The term "explosive material" comprises all explosives, whatever their nature, devices for exploding them, caps, fuses, detonators, potassium nitrate (saltpetre), sodium nitrate (Chile saltpetre), potassium chlorate, ammonium chlorate and nitroglycerins, nitroglucoses, nitrocelluloses and nitrophenols of all types.

Pursuant to article 148 of the Act, amended by Act No. 54 of 2001, a penalty consisting in a term of imprisonment with hard labour is imposed on any person who knowingly manufactures, procures or transports explosive or inflammable materials

or poisonous, incendiary, infectious, bacteriological, chemical or radioactive agents or the like or any components thereof for the purpose of carrying out terrorist acts or enabling another person to use them for such purpose.

Within the framework of Arab cooperation to combat traffic in arms, article 2 of the Arab Convention for the Suppression of Terrorism, signed in 1998, provides that the crimes of manufacturing, smuggling or possessing weapons, ammunition, explosives or other materiel or materials prepared for the perpetration of terrorist offences shall not be regarded as political offences, even if committed for political motives.

Under article 3 of the Convention the Arab States undertake to develop and strengthen systems for the detection of the transport, importation, exportation and stockpiling of weapons, munitions and explosives and of other means of aggression, murder and destruction as well as procedures for monitoring their passage through customs and across borders in order to prevent their transfer from one Contracting State to another or to third-party States other than for confirmed lawful purposes.

Within the framework of measures of suppression, the Arab States have undertaken to arrest the perpetrators of terrorist offences and to prosecute them in accordance with national law or extradite them in accordance with the provision of the Convention or of any bilateral treaty between the requesting State and the requested State.

Article 4 provides that Contracting States shall cooperate for the prevention and suppression of terrorist offences through the exchange of information concerning the activities and crimes of terrorist groups; the sources of their funding; the types of weapons, munitions and explosives used by them; and other means of aggression, murder and destruction.

Under the Convention, each Contracting State undertakes to furnish any other Contracting State with any information or data in its possession that might lead to the seizure of any weapons, munitions or explosives or any devices or funds used or intended for use in the commission of a terrorist offence.

The Convention has been ratified by Jordan.

1.11. The Committee's request to receive the list of "friendly countries" with which Jordan exchanges information concerning terrorist activities

Jordan reiterates, as stated in its first supplementary report, that, with a view to achieving their desired objective, States do not openly discuss their security arrangements. In addition, no unity exists in this regard, inasmuch as the security of both Jordan and other States would be affected.

1.12. Progress report on the enactment of legislation to implement the Conventions ratified by Jordan in the field of counter-terrorism

The Constitutional regime includes the principle that international conventions and obligations are added to domestic legislation, becoming a part of national law. As mentioned at the outset of this report, Jordan ratified the International Convention for the Suppression of the Financing of Terrorism by virtue of a provisional law, owing to the fact that the National Assembly was not sitting at that time and due to the existence of necessity within the meaning of article 94 of the Constitution, whereby the executive power is permitted to issue a provisional law.

When general elections were held and sessions of the National Assembly were convened, the law was referred to the Legal Committee of the Chamber of Deputies, where it is currently being discussed. It is hoped that it will be enacted in the near future.

1.13. Receipt of reports or questionnaires presented by organizations involved in monitoring international standards

Attached hereto is a copy of the report prepared by the Arab Office of Criminal Police on follow-up of the implementation of the Arab Convention for the Suppression of Terrorism.

In conclusion, Jordan reaffirms its full cooperation with the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism and its readiness to receive future comments of the Committee.